GOVERNMENT OF INDIA
URBAN DEVELOPMENT AND POVERTY ALLEVATION
LOK SABHA

UNSTARRED QUESTION NO:2393
ANSWERED ON:13.03.2001
FDI IN HOUSING SECTOR
CHANDRAKANT BHAURAO KHAIRE

Will the Minister of URBAN DEVELOPMENT AND POVERTY ALLEVATION be pleased to state:

(a) whether the Government have received suggestions for various reforms in the housing sector like Foreign Direct Investments (FDI) etc;

(b) if so, the details thereof; and

(c) the reaction of the Government thereto?

Answer

MINISTER OF STATE FOR URBAN DEVELOPMENT & POVERTY ALLEVIATION (SHRI BANDARU DATTATREYA)

(a)to(c): As per the existing policy, Non-Residents of Indian nationality/origin and Overseas Corporate Bodies (OCBs) predominantly owned by Non-Residents of Indian nationality/origin having atleast 60% of beneficial interest in such bodies are allowed to invest in housing and real estate development sector. The Government has carefully examined various suggestions received from different quarters for further liberalisation of the policy and has come to the conclusion that time is not yet ripe to introduce further liberalisation in foreign direct investment(FDI) in the housing and real estate sector.